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2021 E Miller Street
Seattle, WA 98112
February 1, 2010

David Stawick
Secretary
Commodity Futures Trading Commission
1155 21st Street NW
Washington DC 20581

Re: RIN 3038-AC61

Dear Secretary Stawick:

I wish to comment on the proposed rules for regulating trading in foreign exchanges in the United States (US retail forex).

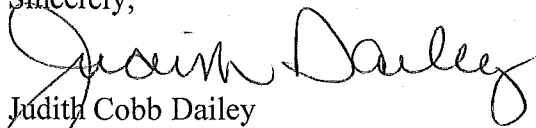
As a person who spent most of my professional career with the Federal Home Loan Bank of Seattle, I completely support the role of regulation in the American banking system. I have seen first hand what can happen when fraud goes undetected at financial corporations, and when GSEs make decisions that reflect a concern about short-term profits at the expense of long-term growth.

The issue of individuals trading in the foreign exchange market is completely different, however. Granted, the current leverage rules means that individual traders risk losing their capital through unwise or speculative trades. But it seems to me unnecessary for the Federal Government to regulate against an individual's ability to take such a risk, particularly since the rewards are commensurate with the risk.

Setting a 10:1 maximum leverage ratio for retail forex in the United States will have the unintended consequence of locking out hundreds or thousands of small traders who contribute to the functioning of the forex market, have the opportunity to make a reasonable living from trading, and are willing to invest in developing the expertise to successfully navigate this market.

In a knowledge-base economy, we cannot set up regulatory systems that reward only the big players. Please strike the proposed maximum leverage ratio from the regulation.

Sincerely,



Judith Cobb Dailey
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